AMENDED IN SENATE JUNE 2, 2005 AMENDED IN SENATE APRIL 7, 2005

SENATE BILL

No. 997

Introduced by Senator Soto

February 22, 2005

An act to amend Section 7262 of the Government Code, relating to relocation assistance. An act to add Chapter 4.7 (commencing with Section 50980) to Part 1 of Division 1 of Title 5 of the Government Code, relating to state military reservists, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 997, as amended, Soto. Relocation assistance: indoor swap meets. State military reservists: service awards.

Existing law establishes the Military Department, which includes the State Military Reserve and the Naval Militia, to perform various duties regarding the state militia. Existing law authorizes the presentation of a good conduct medal to each person who, while an enlisted member of the State Military Reserve or Naval Militia, has demonstrated fidelity through faithful and exact performance of duty, efficiency through capacity to produce desired results, and whose behavior has demonstrated that he or she deserves emulation.

This bill would establish the State Military Reserve and Naval Militia Length of Service Award Act. This bill would make an appropriation of \$100,000 from the General Fund to the Military Department to pay an award of \$150 per month for life to a qualified person, which this bill would generally define as any person who has served in the State Military Reserve or the Naval Militia for 10 years as of the operative date of the bill, as specified.

SB 997 -2-

This bill would declare that it is to take effect immediately as an urgency statute.

Under existing law, whenever a program or project to be undertaken by a public entity will result in the displacement of any person, the displaced person is entitled to payment for actual moving and related expenses as the public entity determines to be reasonable and necessary, including, among other things, actual and reasonable expenses in moving himself or herself, his or her family, business, or farm operation, or his or her personal property.

This bill would limit relocation assistance to both operators and vendors of an indoor swap meet whenever real property is acquired by a local school district and the property includes the operation of an indoor swap meet.

Vote: majority²/₃. Appropriation: no-yes. Fiscal committee: no yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Chapter 4.7 (commencing with Section 50980) 2 is added to Part 1 of Division 1 of Title 5 of the Government 3 Code, to read:

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Chapter 4.7. The State Military Reserve and Naval Militia Length of Service Award Act

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50980. The Legislature finds and declares both of the following:

- (a) The State Military Reserve and the Naval Militia make important contributions to the public safety of the state, particularly in their role as a volunteer reserve force to support the California National Guard and to assume critical state duties of the National Guard should it be called into federal service.
- (b) The purpose of this act is to provide additional incentives for service in the State Military Reserve and the Naval Militia.
- 17 50980.10. For purposes of this chapter, the following terms 18 have the following meanings:
 - (a) "Award" means the State Military Reserve and Naval Militia Length of Service Award that is required to be paid under Section 50980.11.
 - (b) "Department" means the Military Department.

-3- SB 997

(c) "Qualified person" means a person who has completed 10 years of satisfactory volunteer service as of the operative date of this section, in accordance with the rules and regulations promulgated by the Military Department for the administration of the State Military Reserve and Naval Militia, in the State Military Reserve or Naval Militia. For purposes of determining whether a person has completed 10 years of service, a year of service shall not include any year in which a person received payment for six or more months for service in a status that is any of the following:

(1) State active duty.

- (2) Inactive duty training.
- (3) Active guard and reserve duty, as defined in Section 101 of Title 10 of the United States Code.
- (4) Active duty as defined in Section 101 of Title 10 of, and Section 101 of Title 32 of, the United States Code.
- 50980.11. There is hereby appropriated from the General Fund to the Military Department the sum of one hundred thousand dollars (\$100,000) for both of the following purposes:
- (a) To reimburse the department for its administrative costs incurred in implementing this chapter.
- (b) For the payment of awards to each qualified person in an amount equal to one hundred fifty dollars (\$150) per month for the remainder of his or her life, except that no award or portion thereof shall be paid for the month in which the person dies.
- SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to allow the Military Department to make the awards required by this act to help retain state military reservists that protect the public peace, health, and safety, it is necessary that this act take effect immediately.

SECTION 1. Section 7262 of the Government Code is amended to read:

7262. (a) Whenever a program or project to be undertaken by a public entity will result in the displacement of any person, the displaced person is entitled to payment for actual moving and related expenses as the public entity determines to be reasonable and necessary, including expenses for all of the following:

SB 997 —4—

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(1) Actual and reasonable expenses in moving himself or herself, his or her family, business, or farm operation, or his or her, or his or her family's, personal property.

- (2) Actual direct losses of tangible personal property as a result of moving or discontinuing a business or farm operation, but not to exceed an amount equal to the reasonable expenses that would have been required to relocate the property, as determined by the public entity.
- (3) Actual and reasonable expenses in searching for a replacement business or farm, not to exceed one thousand dollars (\$1,000).
- (4) Actual and reasonable expenses necessary to reestablish a displaced farm, nonprofit organization, or small business at its new site, but not to exceed ten thousand dollars (\$10,000).
- (b) Any displaced person eligible for payments under subdivision (a) who is displaced from a dwelling and who elects to accept the payments authorized by this subdivision in lieu of the payments authorized by subdivision (a) shall receive a moving expense and dislocation allowance which shall be determined according to a schedule established by the head of the lead agency. The schedule shall be consistent with the Residential Moving Expense and Dislocation Allowance Payment Schedule established by Part 24 of Title 49 of the Code of Federal Regulations.
- (e) (1) Any displaced person who moves or discontinues his or her business or farm operation and elects to accept the payment authorized by this subdivision in lieu of the payment authorized by subdivision (a), shall receive a fixed relocation payment in an amount equal to the average annual net earnings of the business or farm operation, except that the payment shall not be less than one thousand dollars (\$1,000) nor more than twenty thousand dollars (\$20,000). In the ease of a business, no payment shall be made under this subdivision, unless the public entity is satisfied that the business cannot be relocated without substantial loss of patronage and is not part of a commercial enterprise having at least one other establishment not being acquired, engaged in the same or similar business. For purposes of this subdivision, the term "average annual net earnings" means one-half of any net earnings of the business or farm operation before federal, state, and local income taxes during the two

-5- SB 997

taxable years immediately preceding the taxable year in which the business or farm operation moves from the real property being acquired, or during any other period as the public entity determines to be more equitable for establishing earnings, and includes any compensation paid by the business or farm operation to the owner, his or her spouse, or his or her dependents during the two-year or other period. To be eligible for the payment authorized by this subdivision, the business or farm operation shall make available its state income tax records, financial statements, and accounting records, for confidential use pursuant to an audit to determine the payment pursuant to this subdivision. In regard to an outdoor advertising display, payment pursuant to this subdivision shall be limited to the amount necessary to physically move, or replace that display. Any displaced person eligible for payments under subdivision (a) who is displaced from the person's place of business or farm operation and who is eligible under criteria established by the public entity, may elect to accept a fixed payment in lieu of the payment authorized by subdivision (a). The fixed payment shall not be less than one thousand dollars (\$1,000) nor more than twenty thousand dollars (\$20,000). A person whose sole business at the displacement dwelling is the rental of the property to others shall not qualify for a payment under this subdivision.

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- (d) (1) Whenever the acquisition of real property used for a business or farm operation causes the person conducting the business or farm operation to move from other real property, or to move his or her personal property from other real property, the person shall receive payments for moving and related expenses under subdivision (a) or (b) and relocation advisory assistance under Section 7261 for moving from the other property.
- (2) Whenever the acquisition of real property is by a local school district and the property includes the operation of an indoor swap meet subject to the provisions of Article 6 (commencing with Section 21660) of Chapter 9 of Division 8 of the Business and Professions Code, the operator or operators and any vendor of the indoor swap meet shall only receive payments for relocation assistance pursuant to either of the following:
- (A) The operator of an indoor swap meet shall only be eligible for a fixed relocation payment in an amount equal to the

SB 997 -6 -

average annual net earnings of the business, except that the payment shall not exceed fifty thousand dollars (\$50,000).

- (B) Any vendor of an indoor swap meet shall only be eligible for a fixed relocation payment in an amount equal to the average annual net earnings of the business, except that the payment shall not exceed two thousand five hundred dollars (\$2,500).
- (e) Whenever a public entity must pay the cost of moving a displaced person under paragraph (1) of subdivision (a), or subdivision (d):
- (1) The costs of the move shall be exempt from regulation by the Public Utilities Commission.
- (2) The public entity may solicit competitive bids from qualified bidders for performance of the work. Bids submitted in response to the solicitations shall be exempt from regulation by the Public Utilities Commission.
- (f) No provision of this chapter shall be construed to require a public entity to provide any relocation assistance to a lessee if the property acquired for a program or project is subject to a lease for purposes of conducting farm operations and the public entity agrees to assume all of the terms of that lease.